



**UNITED STATES DEPARTMENT OF COMMERCE
Patent and Trademark Office**

Address: COMMISSIONER OF PATENTS AND TRADEMARKS
Washington, D.C. 20231

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.
-----------------	-------------	----------------------	---------------------

09/223,901 12/31/98 WALKER

J WD2-98-084

022927
WALKER DIGITAL
FIVE HIGH RIDGE PARK
STAMFORD CT 06905

TM02/0710

EXAMINER

ROBINSON ROYCE, A
ART UNIT PAPER NUMBER

2163
DATE MAILED:

07/10/01

Please find below and/or attached an Office communication concerning this application or proceeding.

Commissioner of Patents and Trademarks

Office Action Summary

Application No.
09/223,901

Applicant(s)
Walker, et al.

Examiner
Akiba Robinson-Boyce

Art Unit
2163



-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136 (a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on May 9, 2001.
- 2a) ☒ This action is FINAL. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11; 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-66 is/are pending in the application.
- 4a) Of the above, claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-66 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claims _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are objected to by the Examiner.
- 11) ☐ The proposed drawing correction filed on _____ is: a) ☐ approved b) ☐ disapproved.
- 12) ☐ The oath or declaration is objected to by the Examiner.

Priority under 35 U.S.C. § 119

- 13) ☐ Acknowledgement is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d).
- a) ☐ All b) ☐ Some* c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. _____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- *See the attached detailed Office action for a list of the certified copies not received.
- 14) ☐ Acknowledgement is made of a claim for domestic priority under 35 U.S.C. § 119(e).

Attachment(s)

- 15) ☐ Notice of References Cited (PTO-892)
- 16) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 17) ☐ Information Disclosure Statement(s) (PTO-1449) Paper No(s). _____
- 18) ☐ Interview Summary (PTO-413) Paper No(s). _____
- 19) ☐ Notice of Informal Patent Application (PTO-152)
- 20) ☐ Other: _____

Art Unit: 2163

DETAILED ACTION

Claim Rejections - 35 USC § 102

1. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless --

(e) the invention was described in a patent granted on an application for patent by another filed in the United States before the invention thereof by the applicant for patent, or on an international application by another who has fulfilled the requirements of paragraphs (1), (2), and (4) of section 371© of this title before the invention thereof by the applicant for patent.

2. Claims 1-3, 5-8, 10-14, 20-26, 31, 37-42, 50, 54-57, 59-66 are rejected under 35 U.S.C. 102(e) as being anticipated by Walker, et al (US Patent 6,108,639).

As per claims 1, 2, 20, 21, 24-26, 31, 50, 59, 61-66, Walker, et al discloses:

identifying a product/receiving an identification of a product/means for identifying...receiving a bid/a second bid/a prior bid.../transmitting a bid.../means for receiving...(Col. 15, lines 32-36);

determining, based on a reward rule/based on the bid.../means for determining...transmitting, to the bidder, an indication.../means for transmitting.../receive the/receiving a penalty...(Col. 16, lines 5-12, Col. 9, lines 62-Col. 10, line 15).

a storage device...(Col. 7, lines 7-22);

Art Unit: 2163

Walker, et al. does not specifically disclose that his process is repeated for a second bidder, however, this feature is inherent with his system because since the system includes more than one entity trying to make a purchase, it is logical to repeat the method for the next bidder which is the second bidder.

As per claims 3, 14, 22, Walker, et al. discloses:

determining whether the bid is greater than each of a plurality of remaining bids/prior bid...determining which of the at least one bids is a greatest...(Col. 6, lines 55-59).

As per claim 5, Walker, et al. discloses:

wherein the reward rule comprises a condition that the bidder accept an offer provided by a third party...(Col. 15, lines 59-62).

As per claim 6, Walker, et al. discloses:

a second product...receiving an acceptance of the offer...(Col. 15, line 65-Col. 16, line 11).

As per claims 7, 40, 56, Walker, et al. discloses:

wherein the...product is a service...(Col. 1, lines 35-37).

As per claim 8, Walker, et al. discloses:

wherein the service is a credit card account...(Col. 9, line 62-Col. 10, line 15).

As per claim 10, Walker, et al. discloses:

determining whether the bidder has an acceptable credit history...(Col. 10, lines 16-26).

As per claims 11, 12, Walker, et al. discloses:

Art Unit: 2163

receiving at least one bid for the product from each of a plurality of remaining...wherein the step of receiving at least one bid is performed prior...(Abstract, lines 5-8).

As per claim 37, Walker, et al. discloses:

receiving personal data...(Col. 8, lines 12-21).

As per claim 38, Walker, et al. discloses:

verifying...(Col. 8, lines 22-25).

As per claims 39, 57, Walker, et al. discloses:

one of a telecommunications network and the Internet...(Col. 6, lines 41-57).

As per claim 41, Walker, et al. discloses:

providing the reward...(Col. 16, lines 15-16).

As per claim 42, Walker, et al. discloses:

receiving, from the bidder, a payment...(Col. 16, lines 17-22).

As per claim 54, Walker, et al. discloses:

receiving an identification...(Col. 15, lines 32-36);

transmitting a bid...(Col. 15, lines 38-39);

receiving a reward...(Col. 16, lines 15-16).

As per claim 55, Walker, et al. discloses:

receiving the product...(Col. 16, lines 15-16).

As per claim 60, Walker, et al. discloses:

A computer data signal...(Col. 6, lines 15-27, lines 41-54, Col. 7, lines 7-20).

Art Unit: 2163

Claim Rejections - 35 USC § 103

3. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

4. Claims 15-17, 23, 28-30, 32, 33, 43-47, are rejected under 35 U.S.C. 103(a) as being unpatentable over Walker, et al. (US Patent 6,018,639) as applied to claim 1 above.

As per claims 15, 16, 23, 28-30, Walker, et al. doesn't specifically disclose:

the bid from the bidder is greater than the greatest bid by a certain percentage/currency value.../the bid exceed a prior bid by a predetermined value...

Official notice is taken that it is old and well known in the auctioning art for the bid from the bidder to be greater than the greatest bid by a certain percentage or currency value. It would have been obvious to one of ordinary skill in the art for the bid from the bidder to be greater than the greatest bid by a certain percentage or currency value because it is common to have some kind of reference value in order to determine what a high bid for an item is in a particular auction.

As per claim 17, Walker, et al. doesn't specifically disclose:

wherein the reward rule comprises a condition that the bid is the first received bid...

Official notice is taken that it is old and well known in the auctioning art for the bid to be the first received bid. It would have been obvious to one of ordinary skill in the art for the bid to be the first received bid because it is traditional in auctions to receive bids in the order that they come in.

Art Unit: 2163

As per claims 32, 33 Walker, et al. doesn't specifically disclose:

measuring a time...the bidder is qualified to receive the reward when the time is greater than a predetermined value...determining whether the time between the bid and the previous bid is greater than the predetermined value...

Official notice is taken that it is old and well known in the auctioning art to measuring the time between a bid and a previous bid, and to determine if the bidder is qualified to receive the reward when the time is greater than a predetermined value. It would have been obvious to one of ordinary skill in the art to measure the time between a bid and a previous bid, and to determine if the bidder is qualified to receive the reward when the time is greater than a predetermined value because this would ensure that the auction/product purchase session does not go on past a certain time.

As per claim 43, Walker, et al. doesn't specifically disclose:

wherein the payment is determined from a parallel auction...

Official notice is taken that it is old and well known in the auctioning art to determine the payment from a parallel auction. It would have been obvious to one of ordinary skill in the art to determine the payment from a parallel auction because this payment price would be close to the average price. Parallel auctions are commonly used as backbones for auctions which presently take place.

As per claim 44, Walker, et al. doesn't specifically disclose:

receiving, from the bidder, a payment to extend the auction session...

Art Unit: 2163

Official notice is taken that it is old and well known in the auctioning art to receive, from the bidder, a payment to extend the auction session. It would have been obvious to one of ordinary skill in the art to receive, from the bidder, a payment to extend the auction session because it is common in the auctions of the present for a bidder to pay for his/her time. This would increase the flow of funds/payments towards the company/business.

As per claim 46, Walker, et al. doesn't specifically disclose:

terminating the reward if a higher bid is received...

Official notice is taken that it is old and well known in the auctioning art to terminate the reward if a higher bid is received. It would have been obvious to one of ordinary skill in the art to terminate the reward if a higher bid is received because since the highest bid is the prize winner, the lower bid would automatically become disqualified.
flow of funds/payments towards the company/business.

As per claim 47, Walker, et al. doesn't specifically disclose:

wherein the reward rule includes a condition that the reward be issued randomly.

Official notice is taken that it is old and well known in the auctioning art for the reward to be issued randomly. It would have been obvious to one of ordinary skill in the art for the reward to be issued randomly so it wouldn't be redeemed all at once. Since the participant would be in repeated contact with the auction/ bidding/offer session, the chances of the participant participating in other bidding sessions would increase.

Art Unit: 2163

5. Claims 4, 9, 18, 19, are rejected under 35 U.S.C. 103(a) as being unpatentable over Walker, et al. (US Patent 6,018,639) as applied to claim 1 above, and further in view of Walker, et al (US Patent 6,049,778).

As per claim 4, 9, 18, Walker, et al. '639 fails to teach the following, however Walker, et al '778 discloses:

a value of currency...(Col. 10, lines 34-38).

It would have been obvious to one of ordinary skill in the art to comprise the reward of a value of currency because this is a traditional way of rewarding a customer in the promotion art. This type of promotion will give the customer/bidder more incentive to continue to purchase/bid.

As per claim 19, Walker, et al. '639 fails to teach the following, however Walker, et al '778 discloses:

wherein the reward corresponds to a difference between the bid and a greatest bid...(Col. 10, lines 38-41).

It would have been obvious to one of ordinary skill in the art to have the reward correspond to a difference between the bid and a greatest bid because this is the amount in which the highest bidder goes over the normal bid price. Since the highest bidder is the one who is rewarded, it is logical to reward the bidder with the amount the he/she has put out to win.

6. Claims 27, 34, 35, 36, 48, 49, 58, are rejected under 35 U.S.C. 103(a) as being unpatentable over Walker, et al. (US Patent 6,018,639) as applied to claim 1 above, and further in view of Barzilai, et al (US Patent 6,012,045).

Art Unit: 2163

As per claim 27, 34, 35, 36, 48, Walker, et al. fails to teach the following, however Barzilai, et al discloses:

wherein historic participation corresponds to...an amount of profit...comparing a participation history of the bidder.../measuring the historic participation.../a requirement that the bidder has participated in at least one previous...(Col. 12, line 67-Col. 13, line 24).

It would have been obvious to one of ordinary skill in the art to compare a participation history of the bidder and award the product based on the comparison because this would encourage the bidder to continue his/her participation. It would also have been obvious to one of ordinary skill in the art to use the amount of profit earned from the bidder as historic participation because this information will reveal if the bidder is likely to come back to another session. This information is also bidder-specific and will be useful when pulling up bidder files.

As per claims 49, 58, Walker, et al. fails to teach the following, however Barzilai, et al discloses:

receiving/transmitting an encrypted indication...(Col. 8, lines 20-32).

It would have been obvious to one of ordinary skill in the art to receive or transmit an encrypted indication of a time the bid was transmitted because this information would help enforce a time limit during a bidding session and would encourage bidders to submit bids early in order to receive certain types of rewards for early submissions.

Art Unit: 2163

7. Claims 51-53 are rejected under 35 U.S.C. 103(a) as being unpatentable over Walker, et al. (US Patent 6,018,639) as applied to claim 1 above, and further in view of Pionchon (US Patent 5,200,890).

As per claims 51-53, Walker, et al. fails to teach the following, however Pionchon discloses:

wherein the penalty rule comprises a condition that the bid is less than a current high bid/less than a predetermined value...making the bidder ineligible to continue...(Col. 7, lines 15-24).

It would have been obvious to one of ordinary skill in the art to apply the penalty rule and make the bidder ineligible to continue if the bid is less than a current high bid because the lower bid can not qualify for an award. Since the opposite of an award is a penalty, the penalty rule would be applicable in this case.

Response to Arguments

8. Applicant's arguments filed 5/9/01 have been fully considered but they are not persuasive.

As per independent claims 1, 61, 62 and 63, the applicant argues that none of the references disclose the following limitations: "*determining, based on a reward rule whether the bidder is qualified to receive a reward; transmitting to the bidder, an indication that the bidder is qualified to receive the reward*". However, the examiner disagrees. The examiner feels that the *determining* limitation is disclosed in col. 16, lines 4-13 where Walker, et al discloses

Art Unit: 2163

“identifying one or more rules...comparing said purchase offer to said rules to determine whether an accepting seller is willing to accept said purchase offer if said customer-defined condition satisfies said seller-defined restrictions of at least one of said rules; determining if said secondary market item provided by said accepting seller satisfies said condition”. Here, the examiner is interpreting the rules, the customer, and the secondary market item of Walker, et al as the reward rules, the bidder, and the reward of the present invention respectively. Also, in col. 16, lines 15-16, Walker, et al discloses “providing said secondary market item to said customer if said secondary market item satisfies said condition”. Here, the examiner is interpreting that providing the item to the customer in Walker, et al as transmitting an indication to the bidder.

As per independent claims 50, 64, 65 and 66, the applicant argues that none of the references disclose the following limitations: “*determining, based on a penalty rule whether the bidder is to receive a penalty; transmitting to the bidder, an indication that the bidder is to receive the penalty*”. However, the examiner disagrees. The examiner feels that the *determining* limitation is disclosed by claim 8 in combination with Col. 9, line 62-Col. 10, line 15 of Walker, et al. In claim 8 of Walker, et al, the identification of rules are disclosed in response to a purchase offer. In col. 9, line 62-col. 10, line 15, Walker, et al discloses that if the buyer fails to purchase the requested item once the CPO is accepted by a seller, the buyer can be charged a fee or a penalty in response to a CPO or a conditional purchase offer. Here, the examiner is interpreting determining if the buyer fails to purchase the requested item once the CPO is accepted by a seller of Walker, et al as the penalty rule of the present invention (the rule is that the buyer can’t fail to

Art Unit: 2163

purchase the requested item) and charging a fee or a penalty in Walker, et al as transmitting an indication that the bidder is to receive the penalty in the present invention.

As per independent claims 54 and 59, the applicant argues that none of the references disclose the following limitations: “*receiving a reward in response to the bid*”, or “*receiving a penalty in response to the bid*”. However, the examiner disagrees. The examiner feels that Walker, et al discloses the first limitation in col. 16, lines 15-16 where it discloses “providing said secondary market item to said customer...”. The examiner feels that providing the item to the customer is analogous to the customer receiving the item. Also, as discussed above in the preceding paragraph, the examiner is interpreting the secondary market item of Walker, et al as the reward of the present invention. Also, in col. 9, line 62-Col. 10, line 15, Walker, et al, discloses that the customer can be charged a fine or a penalty as discussed above in the preceding paragraph. In addition, Walker, et al discloses that system processing is based on CPOs or conditional purchase orders which is analogous to a bid.

As per independent claim 60, the applicant argues that none of the references disclose the following limitation: “*computer processing instructions for notifying a bidder that the bidder is qualified to receive a reward in response to a previous bid submitted during an auction session*”. However, the examiner disagrees. In Col. 7, lines 7-20, Walker, et al discloses that the central controller of the CPO management system comprises a “data storage device...operable to store one or more instructions, which the processor 210 is operable to retrieve, interpret and execute”.

Art Unit: 2163

As per dependent claim 23, the applicant argues that there was some confusion as to how this claim was rejected. The status of this claim is as follows: Claim 23 was only originally rejected under 35 U.S.C. 103(a).

As per dependent claims 4, 9, 15-19, 23, 27-30, 32-36, 43-49, 51-53 and 58, the applicant argues that these claims are dependent either directly or indirectly from all independent claims discussed above. However, since the examiner disagrees with the applicants arguments with respect to the independent claims, all dependent claims are rejected for the same reasons as discussed above with respect to the independent claims.

Conclusion

9. **THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

Art Unit: 2163

An inquiry concerning this communication or earlier communications from the examiner should be directed to Akiba Robinson-Boyce whose telephone number is (703) 305-1340. The examiner can normally be reached on Monday-Friday from 6:30 AM-3:00 PM EST.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Tariq Hafiz, can be reached on (703) 305-9643. The fax phone number for the organization where this application or proceeding is assigned is (703) 305-3988.

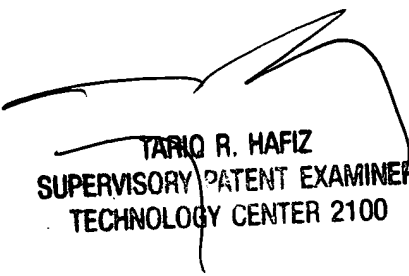
An inquiry of a general nature or relating to the status of this application proceeding should be directed to the receptionist whose telephone number is (703) 305-3900.

Akiba Robinson-Boyce

Patent Examiner

Group Art Unit 2163

July 5, 2001


TARIQ R. HAFIZ
SUPERVISORY PATENT EXAMINER
TECHNOLOGY CENTER 2100